

December 24, 1963

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

Subject: Control of Federal Employment

The Budget which I will send to the Congress next month will not only halt the growth in Federal employment, but will actually make a small reduction from this year's level. [redacted]

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Even though nothing like this has happened in the last decade, I am still unconvinced that we are getting the maximum possible output per employee. I believe we can do better.

The Budget Director will shortly notify you of the year-end maximum employment levels which result from my final budget decisions for both fiscal years 1964 and 1965.- [redacted]

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Let me make it clear that these end-of-year figures are ceilings, not goals.

As soon as these figures reach you, I want you personally to re-examine your employment situations and to establish new end-of-year targets below these maximums. I want you to report these targets to me promptly. I will review them personally.

When I approve new targets for your agency, you will put them into effect and make strenuous efforts to achieve them through tighter management, redeployment of personnel, simplification of procedures, and stripping work to essentials.

I will expect you to make quarterly reports to me, beginning April 1, 1964, on what you have accomplished under this effort.

Finally, once I have given my approval to your new targets, they are not to be exceeded without my explicit approval.